VZCZCXRO2457 RR RUEHGR DE RUEHPO #0297/01 1631132 ZNR UUUUU ZZH R 121132Z JUN 07 FM AMEMBASSY PARAMARIBO TO RUEHC/SECSTATE WASHDC 9426 INFO RUCNCOM/EC CARICOM COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 0126 RUEHAO/AMCONSUL CURACAO 1132 RUEHIN/AIT TAIPEI 0012

UNCLAS SECTION 01 OF 02 PARAMARIBO 000297

SIPDIS

SENSITIVE SIPDIS

WHA/CAR FOR LAURA LUFTIG

E.O. 12958: N/A

TAGS: PREL PGOV NS CH TW
SUBJECT: TAIWAN STRIKES AT CHINA IN SURINAME

REF: A. 2007 PARAMARIBO 165

¶B. 2006 PARAMARIBO 698

PARAMARIBO 00000297 001.2 OF 002

This cable is the first in a series on Chinese and Taiwanese activities in Suriname in the Spring of 2007.

11. (U) SUMMARY: Responding to a charm-and-funding offensive (ref A) by the government of the People, Republic of China (GOC), the Government of Taiwan (GOT) offered more than U.S. \$100 million in loans and grant assistance to Suriname through a "Friendship Foundation" in April. Select government of Suriname (GOS) officials come out quickly with a strong rejection of Taiwan's offer and an unequivocal reaffirmation of Suriname's "One China Policy." Minister of Foreign Affairs Lygia Kraag-Keteldijk declared that the GOS has made its choice and is not at all interested in what Taiwan has to offer, and Vice President Ramdien Sardjoe said the One-China Policy is not up for discussion. In marked contrast, Minister of Planning and Development Cooperation Rick van Ravenswaay of governing-coalition member-party Democratic Alternative ,91 (DA-91) said that, while his party supports the position of the GOS, it is worth examining what Taiwan has to offer instead of just blindly following a "One China Policy," especially if Taiwan offers better prospects for the development of Suriname. The Foreign Minister and Vice President,s strong statement of support confirms the long-standing policy of President Venetiaan, and in particular his National Party of Suriname (NPS). A proposed better deal from Taiwan, if true, will not change the minds of the coalition-leading NPS, but did help to highlight differences within the coalition, and may provide a map to a more rocky future for the GOC in Suriname. END SUMMARY

Taiwan Offers Hundreds of Millions

12. (U) Working through the recently established Suriname-Taiwan Friendship Foundation, the GOT began by donating U.S. \$3,600 in goods for a foster home, then offered to finance three costly infrastructure projects in the country, plus provide budgetary assistance of up to U.S. \$15 million for the next three years. Additional offers of loans and grant assistance were estimated at various values between U.S. \$100 million and \$200 million (and one newspaper used the figure U.S. \$1 billion). The full-page newspaper ads detailing the proposal read like a laundry list of Suriname, s development needs. The ads also specifically

said that the offer was conditional on diplomatic recognition of Taiwan (despite saying in another paragraph that "Taiwan makes the offer with absolutely no conditions regarding Suriname,s foreign policy, unlike the attempts of some other nations"). Meanwhile, the Foundation launched an extensive media campaign designed, according to Foundation Secretary David Chin, "to foster friendship between the peoples of Suriname and Taiwan."

Dollar Diplomacy or Long-Term Commitments?

13. (U) What the campaign fostered best, however, may have been greed. In the weeks after the offer and the GOS's hasty refusal, heated debate o6QFBzksAdo the same. Minister of Planning and Development Cooperation Ricardo van Ravenswaay, however, zy Nor can it be said the GOS is more in line with

PARAMARIBO 00000297 002.2 OF 002

communist China than the democratic GOT, particularly since there is widespread anti-Chinese sentiment in the public and the press in Suriname (septel), largely due to a perception of favoritism in the granting of residency, business, and other permits. So, standing up for its long time alliance with the GOC rather than caving in at the first sign of cash could be seen as a breath of fresh air from the GOS, whose foreign policy,s first principle often seems to be opportunism. However, caution is also an important principle for the delicately-balanced, multi-party government, and changing horses in mid-stream is dangerous. With all the assistance Suriname is already receiving from China, it is very unlikely the Venetiaan-Sardjoe administration will change its mind and turn on one of its biggest donors. What subsequent administrations will do remains to be seen: and van Ravenswaay,s comments may be a shot across the bow. END COMMENT SCHREIBER HUGHES